

1 BILL NO. R-83-11-04

2 RESOLUTION NO. R-96-83

3 A RESOLUTION FINDING, DETERMINING
4 AND RATIFYING AN INDUCEMENT RESOLUTION
5 OF THE FORT WAYNE ECONOMIC DEVELOPMENT COMMISSION
6 AUTHORIZING THE ISSUANCE AND SALE OF
7 \$495,720.00 ECONOMIC REVENUE BONDS OF THE
8 CITY OF FORT WAYNE, INDIANA,
9 FOR THE PURPOSE OF INDUCING THE APPLICANT,
10 F. W. TOENGES & SONS, INC.
11 TO PROCEED WITH THE ACQUISITION
12 CONSTRUCTION AND EQUIPPING OF THE PROJECT.

13 WHEREAS, the City of Fort Wayne, Indiana, (the "Issuer") is
14 authorized by I.C. Sec. 36-7-12 (the "Act") to issue revenue
15 bonds for the financing of economic development facilities, the
16 funds from said financing to be used for the acquisition,
17 construction and equipping of said facilities, and said facili-
18 ties to be either sold or leased to another person or directly
19 owned by another person; and

20 WHEREAS, F. W. Toenges & Sons, Inc. (the "Applicant") has
21 advised the Fort Wayne Economic Development Commission and the
22 Issuer that it proposes that the Issuer acquire and equip an
23 economic development facility and sell and/or lease the same to
24 the Applicant or loan proceeds of an economic development
25 financing to the Applicant for the same, said economic develop-
26 ment facility to be acquisition of land and construction of a
27 9,000 sq. ft. building for use as a pedorthic center and retail
28 shoe store outlet, including equipping of same, and costs of
29 issuance, said facility to be located on the west side of
30 Hobson Road just north of State Street within the City of Fort
31 Wayne, Indiana, (the "Project"); and

32 WHEREAS, the diversification of industry and an increase in
11 full time and 5 part time jobs to be achieved by acquisition
and construction and equipping of the Project will be of public
benefit to the health, safety and general welfare of the Issuer
and its citizens; and

1 WHEREAS, having received the advice of the Fort Wayne
2 Economic Development Commission, it would appear that the
3 financing of the Project would be of public benefit to the
4 health, safety and general welfare of the Issuer and its
5 citizens; and

6 WHEREAS, the acquisition and construction of the faci-
7 lity will not have an adverse effect on any similar facility
8 already constructed or operating in or about Fort Wayne,
9 Indiana.

10 NOW THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL OF
11 THE CITY OF FORT WAYNE, INDIANA:

12 SECTION 1. The Common Council finds, determines, rati-
13 fies and confirms the promotion of diversification of economic
14 development and job opportunities in and near Fort Wayne,
15 Indiana and in Allen County, is desirable to preserve the
16 health, safety and general welfare of the citizens of the
17 Issuer; and that it is in the public interest that Fort Wayne
18 Economic Development Commission and said Issuer take such action
19 as it lawfully may to encourage diversification of industry and
20 promotion of job opportunities in and near said Issuer.

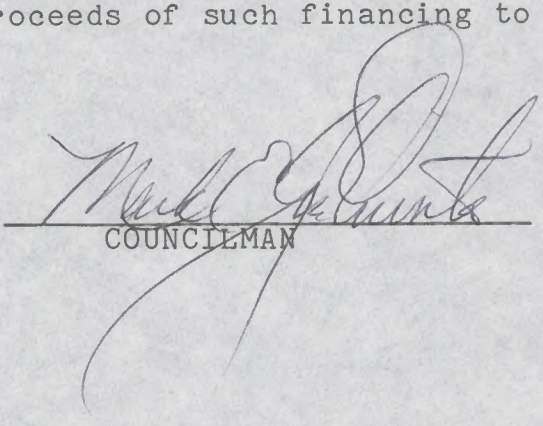
21 SECTION 2. The Economic Development Commission in
22 recommending the project, found specifically that the project
23 will not have an adverse competitive effect on similar facilities
24 already constructed or operating in Allen County, Indiana, and
25 the Common Council has also held a hearing and specifically finds
26 that the project will not have an adverse competitive effect on
27 similar facilities already constructed or operating in Allen
28 County, Indiana.

29 SECTION 3. The Common Council further finds, deter-
30 mines, ratifies and confirms that the issuance and sale of reve-
31 nue bonds in an amount not to exceed \$495,720.00 of the Issuer
32 under the Act for the acquisition, construction and equipping of

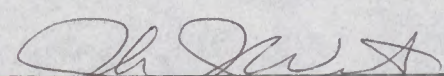
1 the Project and the sale or leasing of such a financing to the
2 Applicant for such purposes will serve the public purpose
3 referred to above, in accordance with the Act.

4 SECTION 4. In order to induce the Applicant to proceed
5 with the acquisition, construction and equipping of the Project,
6 the Common Council hereby finds, determines, ratifies and con-
7 firms that (i) it will take or cause to be taken such actions
8 pursuant to the Act as may be required to implement the afore-
9 said financing, or as it may deem appropriate in pursuance
10 thereof, provided that all of the foregoing shall be mutually
11 acceptable to the Issuer and the Applicant; and (ii) it will
12 adopt such ordinances and resolutions and authorize the execu-
13 tion and delivery of such instruments and the taking of such
14 action as may be necessary and advisable for the authorization,
15 issuance and sale of said economic development bonds.

16 SECTION 5. All costs of the Project incurred after the
17 passage of this Inducement Resolution, including disbursement or
18 repayment of the Applicant of monies expended by the Applicant
19 for planning, engineering, interest paid during construction,
20 underwriting expenses, attorney and bond counsel fees, acquisi-
21 tion, construction and equipping of the Project will be per-
22 mitted to be included as part of the bond issue to finance said
23 Project, and the Issuer will thereafter either sell or lease the
24 same to the Applicant or loan the proceeds of such financing to
25 the Applicant for the same purposes.

26
27 
COUNCILMAN

28 APPROVED AS TO FORM AND
29 LEGALITY.

30 
31 John J. Wernet, Attorney for the
Economic Development Commission

32 Dated this 21st day of Nov, 1983

Read the first time in full and on motion by _____, seconded by _____, and duly adopted, read the second time by title and referred to the Committee _____ (and the City Plan Commission for recommendation) and Public Hearing to be held after due legal notice, at the Council Chambers, City-County Building, Fort Wayne, Indiana, on _____, the _____ day of _____, 19____, at _____ o'clock _____.M.,E.S.T.

DATE: _____

CITY CLERK

Read the third time in full and on motion by GiaQuinta, seconded by Stier, and duly adopted, placed on its passage. ~~PASSED~~ (LOST) by the following vote:

	AYES	NAYS	ABSTAINED	ABSENT	TO-WIT:
TOTAL VOTES	<u>2</u>	_____	_____	<u>2</u>	_____
BRADBURY	_____	_____	_____	<u>✓</u>	_____
BURNS	<u>✓</u>	_____	_____	_____	_____
EISBART	<u>✓</u>	_____	_____	_____	_____
GiaQUINTA	<u>✓</u>	_____	_____	_____	_____
SCHMIDT	_____	_____	_____	<u>✓</u>	_____
SCHOMBURG	<u>✓</u>	_____	_____	_____	_____
SCRUGGS	<u>✓</u>	_____	_____	_____	_____
STIER	<u>✓</u>	_____	_____	_____	_____
TALARICO	<u>✓</u>	_____	_____	_____	_____

DATE: 11/22/83

Sandra E. Kennedy
- CITY CLERK

Passed and adopted by the Common Council of the City of Fort Wayne, Indiana, as (~~ZONING MAP~~) (~~GENERAL~~) (~~ANNEXATION~~) (~~SPECIAL~~) (~~APPROPRIATION~~) ORDINANCE (RESOLUTION) NO. 3-96-83 on the 22nd day of November, 1983.

ATTEST:

(SEAL)

Sandra E. Kennedy

Ray A. Ebert

CITY CLERK

PRESIDING OFFICER

Presented by me to the Mayor of the City of Fort Wayne, Indiana, on the 23rd day of November, 1983, at the hour of 11:30 o'clock A.M.,E.S.T.

Sandra E. Kennedy

CITY CLERK

Approved and signed by me this 28th day of Nov. 1983, at the hour of 9 o'clock A.M.,E.S.T.

Win Moses, Jr.

WIN MOSES, JR. - MAYOR

APPLICATION TO
FORT WAYNE ECONOMIC DEVELOPMENT COMMISSION
FOR "LOANS THROUGH LENDERS" PROGRAM
FORT WAYNE, INDIANA



I. GENERAL INFORMATION

- A. Name of Applicant: F.W. Loengues & Sons, Inc.
- B. Applicant's Principal Address: 2728 E. STATE
FORT WAYNE, IN 46805 Telephone: (219) 483-5219
- C. Applicant's legal organization (e.g. corporation, partnership, sole proprietorship, joint venture, etc.):
CORPORATION
- D. Under laws of what state is the applicant organized?:
INDIANA
- E. Business in which applicant is engaged: _____
RETAIL SHOE SALES / REOUTHILLS / REPAIR
- (1) S.I.C. Code: _____
- F. How long has applicant been in operation in Allen County?:
92 YEARS

II. MANAGEMENT

A. Principal Operating Personnel:

<u>Name</u>	<u>Title</u>
<u>F.W. Loengues</u>	<u>PRESIDENT</u>
<u>IRZO (BUCK) Loengues</u>	<u>VICE-PRESIDENT</u>
_____	_____

- B. All persons or firms having an ownership interest of 10% or more in the applicant organization.

<u>Name</u>	<u>% Ownership</u>
<u>F. W. Toenges</u>	<u>100%</u>
_____	_____

- C. Persons who have either a legal interest in the applicant or a debt obligation from/to the applicant, and are a member of either the Fort Wayne Economic Development Commission, Common Council of Fort Wayne, or Allen County Council:

None

- D. Has any person listed above been convicted of a felony, or convicted of, or enjoined from any violation of a state or federal securities law within the past ten years:

Yes _____ No X

III. PROPOSED PROJECT

- A. Briefly describe the proposed project (attach renderings if available): REFER TO ATTACHED

- B. Proposed amount of bond issue: \$495,720.00

- C. How are the proceeds of the issue to be used (Itemize by category of expenditure): SEE ATTACHED

- D. Additional finance sources to be used if bond issue is not sufficient to complete proposed project: _____

Indiana Bank & Trust Co. or similar
institution

K. Are septic tanks or other temporary sewage treatment and disposal facilities to be used in lieu of sewer:

Yes: _____ No: X

(1) If yes, describe facility: _____

L. Briefly describe any adverse environmental impact upon land, air, water or noise which is anticipated as a result of the proposed project: NONE

IV. JOBS AND PAYROLLS -

A. Number of Employees:

ALL STORES (1) At time of application: Following Refer to present store which
Project will expand
FULL TIME = 21 Full Time: 11 Part Time: 5
PART TIME = 9

(2) Within year of project completion: _____
Full Time: 15 Part Time: 7

(3) Within 3 years of project completion: _____
Full Time: 22 Part Time: 10

B. Briefly describe the category and nature of the new jobs to be created: Refer to ATTACHED

- C. Annual Payroll: *Following refer to present store which
proposed project will expand*
- ALL STORES:
\$366,327.66
- (1) At time of application: \$162,730.95
- (2) Within year of project completion: \$213,593.97
- (3) Within 3 years of project completion: \$325,461.90
- D. If project is not funded by the "Loan Through Lenders" program, is there a substantial possibility of loss of existing jobs in Allen County: Yes: _____ No: _____
- (1) If yes, give number of jobs to be lost and approximate annual payroll loss:
- Refer to Attached

V. MISCELLANEOUS INFORMATION -

- A. Applicant's net worth as of the end of the calendar quarter preceding the date of application:
- Refer to Attached
- B. Has the proposed project been informally reviewed by bond counsel: Yes: _____ No: ☒
- (1) If yes, what is name of bond counsel firm:
- _____
- C. Name, address and telephone of contact person for further details on project: _____
- FRED JOENGES - President
- DAVID YEATER - BUSINESS MANAGER
- Both At: FRED JOENGES Shoe Clinic
- 2725 E. State
74. WAYNE, IN. 46805
- 219-483-5219

VI. APPLICANT'S CERTIFICATION

I/We certify that all information in this application and attached exhibits are true and complete to the best of my/our knowledge and belief. Verification may be obtained from any source named herein.

F. W. Toney

(Signature)

9/28/83

(Date)

(Signature)

VII. EXHIBITS

- A. Applicant's Financial Statements (for past 3 years).
- B. Applicant's Two Year Income Projection.
- C. Breakdown of project costs with written estimates from contractors and suppliers.
- D. Proof of applicant's equity contribution (if any).
- E. Schedule of Applicant's existing debt and encumbered assets.
- F. Personal financial statements for each owner (if applicable).
- G. Letter of commitment from local lender for a letter of credit.

Return to:

E.D.C. Coordinator
Department of Economic Development
City County Building, Room 840
One Main Street
Fort Wayne, IN 46802

(219) 427-1127

Part of the Northeast Quarter of Section 31, Township 31 North, Range 13 East, in Allen County, Indiana, in particular described as follows:

Commencing on the East line of said Quarter Section, as defined by the centerline of the Hobson Road, at a point situated 375.3 feet North of the South line of said Quarter Section; thence North on the East line of said Quarter Section, 130.0 feet; thence West on a line parallel to the South line of said Quarter Section, a distance of 330.0 feet; thence South on a line parallel to the East line of said Quarter Section, a distance of 130.0 feet; thence East a distance of 330.0 feet to the point of beginning, subject to an egress and ingress easement over the West 30 feet of the East 70 feet of the North 130 feet of the South 505.3 feet of the Northeast Quarter of Section 31, Township 31 North, Range 13 East, Allen County, Indiana, together with an egress and ingress easement over the West 30 feet of the East 70 feet of the North 32.3 feet of the South 537.6 feet of the Northeast Quarter of Section 31, Township 31 North, Range 13 East, Allen County, Indiana.



2728 E. State St.
Fort Wayne, Indiana 46805
Phone 484-4742

TOENGES
Shoes

A description of our proposed project demands the following definition for layman comprehension: Pedorthics, as per Dorlands Medical Dictionary, is the art concerned with the design, manufacture, fit and modification of shoe and related foot appliances as prescribed for the amelioration of painful or disabling conditions of the foot and limb.

Nationally, news services have related that the belief of medical officials is that health care of the foot will become the fastest growing health service of the next decade. In fact H.E.W. has just started an evaluation study of pedorthics. This study will be headed by Dean Morgan, Certified Pedorthist who has established a pedorthic facility in Dallas, Texas such as the one we propose.

Therefore, it is our purpose to establish a 9,000 sq. ft. pedorthic center to provide services for all types of juvenile and adult problems. Our project is predicated on several factors that have affected footwear and created a need for a pedorthic center. The need is created by foot injuries resulting from from athletics, dance, accidents, the aging process, pathological and congenital problems.

The services we will provide include footwear modification ranging from general public's demand in athletic, aerobics and dance to the technical need for custom-made and custom-molded footwear. The middle range of modification includes shoe repairing, the fabrication of foot orthosis and prothesis and pedorthic evaluation. Specifically, individuals with foot and



2728 E. State St.
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Phone 484-4742

TOENGES
Shoes

Page 2

gait problems would require continual research and development of shoe Modification. For example, the implementing of a walking ramp in our construction plans will provide a valuable tool for studying the walking gait of individuals with problems caused by any one of the reasons before listed. By using a walking platform with stations for foot stress inprints, floor reaction inprints, video gait tapes, possible laser leg discrepancy measurement device and pressure recording devices, information can be gathered and used by Orthopedic Surgeons, Podiatrists and others in helping their patients. The potential number of people this could apply to is in the millions nationwide.

With doctor referrals, being able to provide services to people who suffer from these various deficiencies will create more technical related job openings, bring in people from outside the Fort Wayne area. An example was our dispensing the Clawson Rocker. We were the only facility in a seven state area with this service and we had people coming from Iowa, Wisconsin, Michigan, Illinois, Ohio, New York and Florida.

Presently, as indicated, we are involved in pedorthic service on a limited basis (due to lack of space) a basis which has grown to a degree that indicates the potential of our project and our estimates are based on an extremely conservative projection. It is estimated that the number of people in the United States suffering from Diabetis and Rheumatoid Arthritis (two diseases helped by pedorthics) is over 10 million. In the juvenile athletic field, the variety of sports being



2728 E. State St.
Fort Wayne, Indiana 46805
Phone 484-4742

TOENGES
Shoes

Page 3

offered has expanded greatly and many of these activities are also enjoyed by teengers and adults, not to mention aerobics and all forms of dance.

To complete the pedorthic picture, we plan to have a repair shop, a casting room, to make positive casts for custom molded shoes, custom made shoes, foot orthosis and foot prothesis. All of the factors hereto described provide the necessary tools for the research and development for the problem solving involved in pedorthic services.

The project, as described, means a large investment in footwear inventory, including a width structure AAAA through EEEEE, an inventory which is purchased from U.S. manufacturers. In addition, our proposed project will provide employment possibilities for repairmen, orthopedic repair technicians, and custom shoe makers, certified pedorthists, professional shoe fitters, merchandise managers, cast technicians and stock clerks. Another factor is the second story of the building will be used to complete our retail computer software programs. These programs will be used in our operation, sold to other similar type businesses and leased to still others on a time-sharing basis. To provide the time-sharing we will be expanding our own computer system and generate the data for the leasees.

The number of new employees will be determined, in large part, by the monetary effort we can afford to expend in informing and accomodating our new clientle. This will be directly influenced by our success in securing the most economical financing. Economical financing for this project will also influence our future plans for additional expansion.



2728 E. State St.
Fort Wayne, Indiana 46805
Phone 484-4742

TOENGES
Shoes

Page 4

Regarding the question of employment loss to the community (referred to in IV.D.) the point of consideration would be the recent loss of lease at our W. State location. The employees there have been kept on with this new project in mind. Without this expansion, these employees will not be required.

HISTORY

Our company was established in 1891 on Maumee Ave. by Fred W. Toenges. He was succeeded by his two sons, John and Arthur Toenges. The present President of the corporation is the grandson, Fred W. Toenges, and the vice president is the great grandson, Fred (Buck) Toenges. Presently the corporation has four retail outlets, with the majority of the employees under age 35 and 6 who are college graduates.

Fred W. Toenges, Pres., is a Certified Pedorthist and has successfully completed Pedorthic courses at Temple University, Ball State, North Western School of Orthotics and Prosthetics, New York University Medical Graduate School of Orthotics and Prosthetics, and three courses at the Federal Hospital in Carville, La. He has also lectured in Pedorthics at Seminars in New Orleans, Dallas, Columbus and Cincinnati, Ohio, Chicago Indianapolis and Ft. Wayne, In. As a member of the Prescription Footwear Association, he has served as Education Chairman and contributed to the courses presented at North Western and New York Universities. Mr. Toenges has also served as a member of the board of directors of PFA for 10 years and it's President in 1980-1981. Presently he is on the Board of Certified Pedorthists and is the Credentialing Chairman.



**INDIANA
BANK**

915 South Clinton
Fort Wayne, Indiana 46802

Member FDIC

November 2, 1983

Mr. Fred Baughman
City County Building, Room 840
One Main Street
Fort Wayne, Indiana 46802

Dear Mr. Baughman:

Please be advised that Indiana Bank has authorized the issuance of a letter of credit in the amount of \$492,000 for the account of our customer F. W. Toenges & Son, Inc.

The letter of credit will be issued for the specific purpose of providing backing for EDC bonds issued on behalf of F. W. Toenges & Son, Inc. through the "Loans Through Lenders" program.

Very truly yours,

INDIANA BANK AND TRUST COMPANY



Dennis W. Kiracofe
Assistant Vice President

jmh

REPORT OF THE FORT WAYNE ECONOMIC DEVELOPMENT COMMISSION CONCERNING THE PROPOSED FINAL AG
OF ECONOMIC DEVELOPMENT FACILITIES FOR
F. W. Toenges & Sons, Inc.

Having been furnished certain data by the above applicant, and having had discussions with representatives of said applicant, the Fort Wayne Economic Development Commission now submits the following report pursuant to Indiana Code 36-7-12-1 et seq.

Description of Proposed Facilities

The project will consist of establishing a 9,000 sq. ft. pedorthic center as well as a retail shoe store outlet to be located on the west side of Hobson Road just north of State Street within the City of Fort Wayne.

Estimate of Public Services Required

All public services, including water and sewage, now exist. No public facilities will be made necessary on account of the proposed facilities.

Total Project Cost

The total project cost for the purchase, construction and equipping of the facilities is estimated to be \$ 495,720.00, including costs of issuance of the economic development revenue bonds.

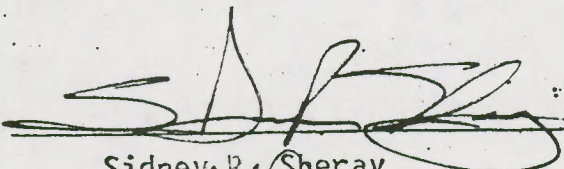
Number of Jobs and Estimated Payroll

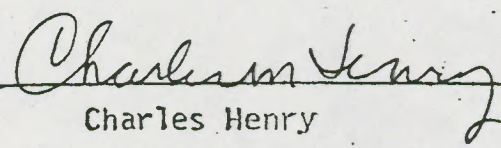
It is anticipated there will be approximately 11 new jobs created by this project with an estimated payroll increase of approximately \$ 162,730.95 annually.

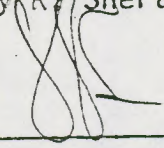
Adverse Competitive Effect

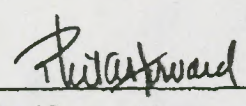
The construction of the facilities will not have an adverse competitive effect on any similar facilities already constructed or operating in or near Fort Wayne, Indiana.

Dated this 3rd day of November, 1983.


Sidney R. Sheray


Charles Henry


Timothy Borne


Phil A. Howard